



Federal Transportation Briefing

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Surface Transportation Reauthorization

With the most recent MAP-21 extension expiring on May 31 and no House or Senate replacement even proposed, let alone moving through the process, another extension is likely in the works. However, the administration did release its proposal this week: GROW AMERICA. Like last year, this document served both as a transportation budget request and a surface transportation reauthorization bill. As expected, it was largely unchanged from last year's proposal except for the time period (six years) and the total amount (\$478 billion). Again, the bill provides modest increases for highway programs and large increases for rail and transit.

Two changes of possible interest from 2014: the addition of a new category under the transit New Starts program called "Very Small Starts" for areas under 200,000 in population; and the specification that FRA Rail Service Improvement Program funds may be used for the credit risk premium on Rail Rehabilitation and Improvement Financing loans.

As detailed in the budget documents, the investments would exceed expected trust fund revenue for that time period by \$238 billion but the necessary additional funding would be offset with a one-time mandatory 14 percent "toll charge" on untaxed foreign earnings accumulated by U.S. companies overseas.

Passenger Rail Reauthorization

On March 4, the House easily approved HR 749, the Passenger Rail Reform and Investment Act of 2015. A four-year bill totaling \$1.7 billion, PRRRA 2015 is virtually identical to last year's measure. A few minor amendments were adopted, including a requirement that locomotive horn rules be reviewed, and a requirement that all states develop crossing safety plans.

For FY 2016, Amtrak would receive \$1.41 billion, with very slightly higher amounts in the next three years. FY 2015 funding to Amtrak totaled \$1.39 billion.

If the Senate offers a counterpart, the bill could move through Congress as a stand-alone measure; it could also be incorporated as the rail title in a surface reauthorization bill.

FY 2016 Budget

Both the House and Senate Budget Committees have passed their FY 2016 resolutions. If agreement is reached in conference, the budget document will set overall federal funding levels by budget category, rather than individual levels for committees or programs.

Although the budget tables span FY 2016-2025, only the first year is binding. For FY 2016, both the House and Senate would leave the non-defense cap at \$493 billion, up slightly from the \$492 billion in FY 2015. In the (non-binding) out-years, the House would provide fluctuating levels ending at \$496 billion (only slightly above FY 2016), but the Senate would provide steadily increases amounts ending at \$558 billion.

For transportation, the FY 2016 level would affect mainly the General Fund programs, since spending from trust funds such as the Highway Trust Fund is considered mandatory. However, as in past years, both proposals allow for increased transportation spending if additional revenue is found.

Funding/authorization expiration dates:

Sept. 30, 2015 – transportation appropriations (HR 83, T-HUD)

Sept. 30, 2019 - water resource and development programs (WRRDA of 2014)

Sept. 30, 2013 - passenger rail and freight safety programs (PRIIA of 2008)

May 31, 2015 - surface transportation programs (MAP-21 extension, in HR 5021)

Sept. 30, 2015 - aviation programs (Air Transportation Modernization & Safety Improvement Act, 2012)

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